

Amtrak NEWS

A NEWSLETTER FOR AMTRAK EMPLOYEES

Volume 1 No. 4

June 1, 1974

Final 3 Nominees Added to Board

President Nixon has announced the final nominations of three persons to the Amtrak Board of Directors. They are:

Donald P. Jacobs, Evanston, Ill., Chairman of the Finance Department, Graduate School of Management, Northwestern University, for a term of three years.

Gerald D. Morgan, Burkittsville, Md., partner in the law firm of Hamel, Park, McGabe and Saunders, Washington, D.C., for a term of four years. Mr. Morgan previously served Amtrak as Vice President — Government Affairs.

Robert Galbraith Dunlop, Bryn Mawr, Pa., Chairman of the Board, Sun Oil Co., Philadelphia, also for a term of four years.

The Board consists of 17 members as follows: The Secretary of Transportation, ex officio; nine members nominated by the President, three of which are designated "consumer representatives" (see Amtrak News, May 1, p. 5); three elected annually by the common stockholders (railroads); and four elected annually by the preferred stockholders.

The number of positions on the Board total 17, but, since Amtrak has not issued preferred stock, four seats are vacant. This means that the actual Board consists of 13 persons.

AMTRAK NEWS

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Boats & Trains!!!

Harold L. Graham, Amtrak's Vice-President of Marketing [left], and Ron C. Lord, General Manager of The Pacific Cruise Conference, TPCC, signed an interline passenger traffic agreement May 6. Now TPCC and Amtrak, directly or through agents, can issue tickets or exchange orders on each order; and can cooperate in promoting connecting rail tours and ocean cruises. Graham and Lord said the agreement is a prelude to announcement of numerous sea-rail "packages", utilizing more than a dozen ships of the West Coast cruise conference's five regular-member lines, in conjunction with various Amtrak routes nationwide.

Sales Trainees Meet Executives

"Young People in a Young Company" was the theme of Amtrak's chief executive, Roger Lewis's opening remarks to the current Amtrak Marketing Trainee Class. The six trainees, Neal Ball, Cathie Cook, Alice Fujioka, Michael Harrison, Tim Salvesen and Art Street, were told that Amtrak is a new business in an old industry in which young ideas and innovative thinking are mandatory to meet public transportation needs in the '70's and beyond.

"I think you are smart to have considered Amtrak because it is a good policy to get into a business that is growing and will succeed," said Lewis. "There's no doubt in my mind about that. Railroad passenger service has

been on a steady decline since 1945 but Amtrak has reversed that trend."

The Amtrak Marketing Trainee Program, developed by Roger Brown, Director of Sales, is designed to attract, develop and retain highly motivated individuals with executive management potential by providing a basic insight into Amtrak's functional areas.

On-the-job training is given in all phases of Sales and Service, supplemented by familiarization and orientation in Fares and Tariffs, Accounting, Personnel, Government Affairs, Public Relations, Legal Activities, Labor Rela-

Continued page 2 col. 1

tions, Design, Procurement and Operations.

Primary emphasis is placed upon group and tour sales, use of travel agents, ticketing, reservations and control, government and military sales, mail sales, package express, program development, promotion and advertising, commissary and station services, on-board services and related passenger support programs. Each trainee completing the program will be fully prepared to embark upon a meaningful career in sales, services or related Amtrak elements.

Joe O. Bellino and Alex Langston of Government and Military Sales, training counselors for the current class, said the trainees have commented most favorably on the benefit they have derived from having the opportunity to listen to the philosophy of the top people in Amtrak at the start of their training.

Amtrak Appoints

Fred Siefert as Director of Personnel. Prior to Amtrak, Siefert was Corporate Manager of Recruitment and Training for McGraw-Hill Corp. He also has held Personnel Management positions with the Sun Oil Co. and Curtis Publishing Co.

Frank Abate as Manager of Cars. Abate comes to Amtrak from the Penn Central Railroad where he was Regional Mechanical Supervisor. He also has served as Penn Central's Mechanical Supervisor of the Philadelphia Commuter Area and formerly was affiliated with the New York Central Railroad.

J.F. Roseman as Manager of Self-Propelled Equipment. Roseman served as Vice-President of Southern Iron & Equipment Co. before coming to Amtrak. Prior to that he was Penn Central's Superintendent of Equipment, Eastern Region.

Harold Nelson as Senior Labor Relations Officer. An employee of the Kansas City Southern & Louisiana & Arkansas Lines, Nelson served as General Chairman of United Transportation Union.

Market Research Sets Modern Pace

For the first time in the history of railroading, marketing data relating exclusively to passenger traffic are being gathered on a national level. According to Peter M. Montague, manager — Market Research, sufficiently detailed information is now available on passenger travel patterns to enable the Corporation to make decisions based on hard data.

The sources of this information are matrix forms and data tags used by the conductors to record passengers origins and destinations. Every time a conductor completes a matrix form or collects data tags (used in Northeast Corridor), he is supplying the input into the ridership system. Every matrix report received by Market Research is key-punched in preparation for computerization. The data tags are read automatically by a high-speed scanning machine which feeds the information directly into a computer.

"The conductors are the key people making this program a success," said Montague. "They have gone so far to cooperate with this program that notes are written on matrix reports about unusual circumstances. Conductors have reported overcrowded conditions which make it impossible to properly fill in the matrix. Once we're aware of this fact, other steps can be taken at Amtrak headquarters to collect data missing from the matrix. We really appreciate all they've done to make this program a success."

The ridership program is a joint responsibility of Amtrak and the U.S. Department of Transportation (DOT). Amtrak provides the materials that conductors use to record ridership and computer programming skills. The computers are DOT-operated. The DOT has been tabulating data on the Boston-New York-Washington line using Data Tags since 1966.

A factor which motivates Market Research in the collection of data is that little good research material from the period prior to Amtrak is available. Railroad data that did exist was used primarily in accounting for revenues and arriving at interline settlements with other railroads. For example, in pre-Amtrak days and through Decem-

ber 1972, passengers riding the Zephyr between Chicago and San Francisco were counted by the Burlington Northern as Chicago-Denver travelers because the responsibility for the train's operation by the Burlington Northern ended at Denver. This type system was not very useful in doing analytical work involving traffic patterns, etc. With the matrix reports, however, Amtrak receives a true count of where every passenger actually boarded and left the train.

Once the computer tabulates these data, monthly reports are issued. An analysis of ridership on a route-by-route basis is then possible with particular attention shown to changes in ridership from previous time periods. The information helps Amtrak management to decide what consists are required on trains at different times of the year; how many personnel are needed to man the trains during different travel seasons; and how many people are on a particular train during meal periods so that trains may be properly stocked.

An example of how the system benefits the company and the traveling public occurred over the Easter period. "What we did was to examine ridership figures for Friday through Monday of the 1973 Easter weekend to determine peak travel demands. We pinpointed trains and times when we could expect our largest crowds. Then, the Service and Operations Departments made crew manning provisioning and consist preparations. In this way, particularly in the Northeast Corridor, we were able to eliminate most standee problems," Montague said.

The reports are used by Market Research and Market Development staffs to undertake long-range revenue estimates of routes presently operated or proposed. For example, based on ridership data available, the Market Research department was able to recommend that the Coast Starlight/Daylight and San Francisco Zephyr be made daily instead of tri-weekly. The trains operated daily during a trial period, and the ridership levels proved that the department's ridership fore-

Continued page 4 col. 1

editorial comment:

Despite Criticism Amtrak's Success Grows

In Amtrak's three short years, we have reached some of our goals and have instituted needed improvements in rail passenger service. Many observers appreciate our efforts; others choose to criticize Amtrak in a constructive manner.

But there are a few people who so viciously criticize Amtrak that their readers would think that Amtrak has not accomplished anything since 1971 except take over passenger service, discontinue half of the trains, and let the remaining decay. This kind of criticism is totally unfair.

For example, in an extensive article on Amtrak in the May issue of Fortune Magazine, Amtrak is taken to task for many problems, few of which we created and most of which we inherited.

Fortune magazine said that, because of the energy crisis, "Seldom has a company been blessed with such an unexpected opportunity ..." That is true. But Fortune followed that up with "... and seemed so determined to blow it." That is false.

With respect to Fortune's criticism, Amtrak President Roger Lewis has written a letter to the editor stating that "Far from being responsible for blowing an opportunity, as Fortune alleges, Amtrak's management has created one from scanty and largely defective materials. Railroad passenger service on May 1, 1971 was not a glorious opportunity — it was a failed business. Its ridership was declining at an accelerated rate; its employees were demoralized; its physical equipment circa World War II and depleted; and its owners, the railroads, saddled with common carrier obligations resulting in deficits of about \$500 million per year at 1969 price levels."

"Nearly everyone agreed this couldn't go on," continued Lewis. "Nearly everyone agreed that the airplane, the auto and the bus would replace the intercity passenger train; and nearly everyone thought that after a reasonable trial for Amtrak, that all but a limited amount of the service would be decently buried."

"The only people who didn't think this were organized labor and the Congress, a section of the traveling public, a handful of rail buffs, and after May 1, Amtrak's growing management team."

This country's intercity passenger service was at a 25-year low when Congress created Amtrak in late 1970. You and I know that we can't solve a 25-year old nationwide problem in just three years, especially when our business is operated on someone else's property and limited money is available.

The most glaring fault of people who make blanket denunciations of Amtrak is their failure to fairly report what Amtrak has indeed accomplished. There's a new reservation system nationwide, we've built new stations and more are on the way, new equipment is on order, we're adding new routes, we're designing new services every year, and we are striving to plan future programs in the face of sometimes insurmountable odds.

This is what Amtrak is all about and what hyper-critical people fail to understand. You know that every month that

goes by something better happens. Another problem gets fixed. A new program is in the planning stage. Future projects are given serious consideration. And when the energy crisis hit we worked overtime on the nuts and bolts of finding and adding cars to our consists; accelerating our repair and refurbishment program, and expanding our reservations system.

Despite all of our anxieties and frustrations of running a new company, the job is, in fact, getting done. What have been the results of our efforts? For the first 11 months of 1973, before the energy crunch, ridership had risen 11 percent over the corresponding period in 1972. Traffic in the first quarter of 1974, with energy crisis traffic, is 41 percent above the same period last year.

Rather than "blowing an opportunity" as Fortune Magazine has suggested, we have built soundly; we have a good organization; and a stable route structure. We have about doubled our seat mile capability from the base established by the Department of Transportation in 1971; and we have made solid progress in improving our operating contracts with the railroads.

While we have reason to be proud of our achievements, we cannot relax. Our continuing problems are big ones and they must be faced: late trains primarily due to poor track conditions; equipment that is difficult to maintain and support with spare parts because it is old and non-standard; legal difficulties which arise when new services are instituted; and a continuing fight to control our deficit in the face of spiraling costs due to inflation and extensive equipment maintenance.

In spite of these difficulties, Amtrak has established the framework in which these problems can be met. What our severest critics fail to understand is that if Amtrak did not exist, costs would have increased even faster under individual railroad operation, meaning there would have been practically no passenger trains operating today outside of the Northeast Corridor.

Furthermore, without rebuilt cars, new locomotives and a totally new reservations system, rail passenger systems would have been totally ill-equipped to handle the "energy crisis" traffic which was suddenly thrust upon us. And the railroads, operating independently, would have been unable to match the contribution that Amtrak has made to energy-short America.

In short, some criticism is understandable and can be constructive. Some can be very unfair. When you hear someone condemn everything about our company, keep in mind that they probably have not made the effort to perceive our problems, or to comprehend our efforts to solve them.

Also keep in mind that a few people live in the past; are afraid to accept change; are unable to view the future with any clarity; and are satisfied only with the status quo which, in the case of rail passenger service, didn't work.

When faced with unjust criticism of Amtrak, we should hold our heads up high and be proud of our progress, and of our plans for further rebuilding this railroad in the future.

casts were accurate. The trains now run on a daily basis.

Montague also explained that the figures can be used to determine ridership on a proposed route. "What we do is construct an optimum schedule, taking into account the potential for connecting traffic at major terminals and historic travel demand along the route by other modes. Next the matrix reports are consulted to isolate traffic at cities of approximately the same size (population), with similar distances between destinations and times of service. Also investigated is the presence of competition."

The ridership system is also important in judging passenger traffic in Amtrak's stations. The number of tickets sold in a station does not necessarily represent how busy it is. For example, some stations are near recreational areas, and the passengers using the station have purchased round-trip tickets in other cities. Consequently, the number of people actually boarding and leaving trains there may be four or five times greater than the station ticket sales reflect. Examples of stations in this recreational category would be Truckee, California (Lake Tahoe); Merced, California (Yosemite National Park); Orlando, Florida (Walt Disney World); Southern Pines, North Carolina (Pinehurst Golf Resort); Waterbury, Vermont (Stowe and Sugarbush Ski Resorts); and Livingston, Montana (Yellowstone National Park). The matrix produced count provides figures not available in a ticket count. Station counts are important in determining the number of service employees needed, especially in light of requirements placed on Amtrak by the ICC in their "Adequacy of Service" Report.

The matrix/data tag system also compiles passenger-miles which may be used to measure effectiveness of the rate structure and the effects of rate changes on passenger travel.

"The results of this program are useful to every department in Amtrak," declared Montague. "We continually respond to requests for information concerning on-board services, station services, reservations, finance, legal

proceedings, government affairs and public relations."

The reports have reached such precision that a summary is given to Amtrak's Board of Directors each month, one week in advance of the board meeting. The report compares ridership by route and class with the same month last year and shows the percentage change.

Harold L. Graham, Vice President of Marketing, said the report "met enthusiastic approval" by the board and the report has now become the official source of Amtrak ridership information. Getting this "First" started in the railroad industry was no easy task. In a memorandum to Montague, Graham said, "I would like to personally congratulate you and the members of your staff for the work you have all done to make this project a success. The personal efforts made to insure that the project was thoroughly organized and explained to the railroads and their conductors before it began, the diligence with which records and logs were kept, and follow-ups made, is apparent in the quality of data now available to the Corporation."

Amtrak has another ridership system in effect, the "checkpoint" system, which is also based on Conductor's reports. At certain points along a route, a count is made of all passengers on board. Amtrak's Joe Hyman receives such counts by telex, making this system a quick "barometer" reading of Amtrak ridership. Within two weeks of the startup of the San Joaquin and Inter-American services, Market Research had figures indicating that the trains were well-patronized. This system has been in effect since the summer of 1971 and provides a very valuable picture of Amtrak ridership over a significant period of time.

The Market Research ridership system, described above, indicates that traffic on Amtrak has jumped 28 percent in April, 1971, as compared to the same month last year. This April Amtrak carried 1,599,211 passengers, as compared to 1,250,695 in April '73, an increase of 348,516 passengers.

Eastern Region Holds Annual Sales Meeting

Amtrak's annual Eastern Regional Sales meeting 16 and 17 made the most of its Bolton Valley, Vt. site. Vermont Governor Thomas P. Salmon talked to Glenn Evers, Eastern Regional Sales Manager; his staff of fourteen District Sales Managers and representatives of Amtrak headquarters Marketing and Service staffs about the importance of Amtrak to Vermont's tourism goals. The group also had the opportunity to tour several area ski resorts.

Although the resorts visited (Bolton Valley, Smuggler's Notch, Glen Ellen, Mad River Glen, Stowe and Sugarbush) are known primarily for their skiing, Gov. Salmon and Harold L. Graham, Vice-President of Marketing, emphasized the importance of developing and promoting more off-season travel and resort business. Graham told the group that Amtrak is putting together several summer package vacations to attract persons from the Deep South of the mountains of Vermont for vacations.

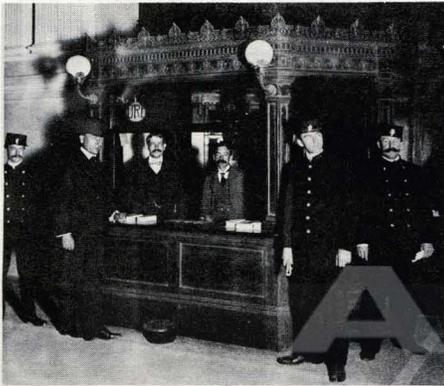
In addition to discussing Vermont sales and tourism, the meeting covered most aspects of Amtrak Sales and Service. Guest speakers from corporate headquarters outlined the relationship between local sales and their particular department and Vice-President Graham covered over-all corporate marketing policy. John Lombardi, Director of Market Development, talked about the development of new tour and sales programs. Attendees had a chance to see one of the trailers actually used in Amtrak's new Roamin' Holiday tour program.

Headquarters guests and speakers included: Harold L. Graham, Vice-President, Marketing; Roger Brown, Director of Sales; John Lombardi, Director of Market Development; Paul Harris, Eastern Regional Service Manager; Frank Rizzutto, Central Regional Sales Manager; Arthur Lloyd, Manager of Agency, Tour and International Sales; Phil Held, Manager of Reservations Control; James Mariner, Manager of Advertising and Sales Promotion; Joe Bellino, Manager of Government and Military Sales; Marvin Liebow, Supervisor of Refunds-Revenue Accounting, and Peter Kanwit, Supervisor of Statement Inquiries-Revenue Accounting.

Red Caps: A Heritage of Proud Service

Today's Red Caps have a proud and important heritage. They can trace the ancestry of their profession back to the turn of the century when George Daniels, New York Central's brilliant General Passenger Agent from 1889 to 1907, gave them their name and set them apart from in-station porters.

At that time Daniels was christening



Red Caps as they looked in 1920 and today in their new Amtrak uniforms.

the 20th Century Limited, the train which was the realization of his dream of the ultimate in transportation glamour and luxury. Daniels wanted the high service standards set for "his" train to carry over into the stations. So he organized a group of the most competent in-station porters; gave them their distinctive caps and hence their name.

Daniels confidence in his Red Caps was not misplaced. As early as 1916, John A. Droege, General Superintendent, New York, New Haven and Hartford Railroad wrote in his book *Passenger Terminals and Trains* that "The 'Red Cap Porter', or the 'Red Cap' as he is more usually called, has become an institution which the American traveling public could ill afford to be without. The Red Cap under proper supervision is remarkably efficient and useful and the railroads are to be complimented for the fine class of men they have assembled to do this work."

During the 1940s there were as many as 300 Red Caps in Grand Central Station, New York alone. Here is how David Marshall describes the Red Caps of that era in his book *Grand Central*. "Before Pearl Harbor they were young, middle-aged, comparatively old; they ranged from twenty to sixty-seven years of age; they averaged thirty-five. Then the fighting forces drew off all the young men, or nearly all, and some of these aren't back yet, and some won't ever come back. And so today the outside men, recalled from their retirement and still assigned to meet incoming taxicabs are in three or four instances well over seventy years of age. But they bear their years well; and, as a class, they are a striking lot of men in their gray whipcord uniforms and red caps."

James H. Williams, Chief of the Red Caps, came to Grand Central Station in 1903 and served there for over forty years. He was the first black man ever employed as a Red Cap at Grand Central and father of the first black man to hold the position of Battalion Chief in a U.S. fire department. President Franklin Roosevelt once gave Williams an autographed photo in-

stead of a tip and Alfred E. Smith gave him a brown derby hat.

Williams was known for his efficiency and pride in his profession. Marshall quotes him as saying that "Boys who used to work for me as Red Caps here at Grand Central are professional men today--doctors, lawyers, ministers, architects, college professors. No, they weren't just college boys working as Red Caps for the summer vacation. They were regular, full-time men with eight or ten years service to their names. One was here fifteen years while he went to night school; he's a certified public accountant today with a good job on Wall Street ... They're what I call the graduates of the Red Cap force at Grand Central."

Today activity at Penn Station, NY is beginning to rival the old days at Grand Central Station. Although Red Caps do not number 300, their numbers are continually growing particularly since the advent last December of free Red Cap service. Their importance and utilization will continue to increase as expedited Red Cap service is instituted at more stations across the country.

Although David Marshall wrote his book *Grand Central* in 1946, his words describe the kind of service employees Amtrak needs and expects today:

"There are, of course, the usual number of novices at Grand Central, and among the novices you'll probably find the usual percentages of misfits. James Williams says it takes two years to whip a Red Cap into shape, ten years to make a really seasoned man of him. You can pick out these fellows for yourself, and, if you're strictly fair, you'll more than probably arrive at some such conclusion as this: that the Red Cap is a trained manager who takes you in charge as well as your luggage; who steers you the right way, by every possible short cut, and gets you through the gate before the gateman slams it shut; who talks as well as any gentleman's gentleman should; who cheers you with a flashing smile, bows like a gentleman, and ... pays you the tribute of overestimating your importance."

RTC Card Void

Amtrak will discontinue individual use of its own Rail Travel Card effective July 1. The five major nationwide credit cards--American Express, Bank Americard, Carte Blanche, Diners Club and Master Charge--will continue to be honored for purchase of tickets.

Roger W. Brown, Amtrak's Director of Sales, has notified Rail Travel Card holders of the planned July 1 discontinuance of individual usage. (Amtrak will continue to honor established corporate credit accounts for rail travel.)

Mr. Brown said the decision to discontinue the Rail Travel Card, which Amtrak had taken over from the Rail Travel Credit Agency in 1971, followed three years of surveys and studies. The big majority of Rail Travel Card holders also carry other credit cards honored by Amtrak.

Amtrak also now allows payment by personal check, with satisfactory identification, for on-board charges in food service cars, as well as for tickets and tours at Amtrak ticket windows.

QUOTABLE QUOTE . . .

Gil Webre, New Orleans Time-Picayune: "Youth again was in evidence on the train (Amtrak's Sunset Limited). There were many young people coming into New Orleans for Carnival season. Some of them even had back-packs stored in the baggage . . . 1974 was the year back-packers Amtraked it to New Orleans. . . ."

120,000 Rail Passes Issued in 1973

Almost 120,000 Rail Travel Privilege Card passes were issued to railroad and terminal company retirees and widows during 1973, the Amtrak Pass Bureau has reported.

All of the passes are valid for one year, and will expire during 1974. They must be renewed if the passholders are to continue availing themselves of Amtrak's transportation privileges.

The Pass Bureau said that only about half of the Rail Travel Privilege Cards (RTPC's) that expired during

Amtrak Targets Stations For Repair & Rehabilitation

Rail passenger stations' days of neglect are numbered. There is a systematic, on-going effort by Amtrak to "repair and rehabilitate" every rail passenger station in the country.

The Marketing/Operations team of John Brandimarte, Regional Engineer-Structures and Allen Edelman, Chief of Service Requirements, has been visiting and, with the assistance of local Amtrak and railroad personnel, evaluating each station. Repair work follows shortly after their visit, usually done by railroad maintenance personnel and financed by Amtrak. Simultaneously, new Amtrak station and directional signs are installed.

To-date, most Seaboard Coast Line and Louisville & Nashville stations; the majority of Santa Fe stations; and some Southern Pacific stations have received attention. In May, the team targeted Burlington Northern stations for repairs. In addition to the station-by-station work on those routes, each station on a new Amtrak service has received repairs prior to inauguration. (In 1974, this has included the San Joaquin, Inter-American and Black Hawk stations.)

"Amtrak's 'repair and rehabilitation' program is designed to give the Amtrak image to every station where a rail passenger train stops," Brandimarte said. "By late 1975, we should be in pretty good shape system-wide."

In addition to assessing stations for repair work, the Marketing/Operations team targets those stations which are beyond rehabilitation or where current rail operations have outgrown the present structure. New Amtrak-built or joint intermodal constructions are then considered. Currently, Amtrak is planning new facilities for Richmond, Va. and St. Paul/Minneapolis, Minn. A new station is also under consideration for St. Louis, Mo. and large scale work is planned for Los Angeles.

In late April, Amtrak began "repair and rehabilitation" work on eleven Milwaukee Road stations between Chicago and Minneapolis.

Every station between Chicago and Minneapolis on the North Coast Hiawatha and Empire Builder routes will receive attention ranging from interior and exterior paint and plaster to replacing tile floors and light fixtures and resurfacing station platforms. Amtrak and the Milwaukee Road are completing arrangements for work at LaCrosse, Wisconsin which will require the most extensive repairs including replacement of about sixty feet of station platform.

Work is also underway at Chicago's Union Station. Walls are being cleaned, and the ceiling and top portion of the walls painted. Philadelphia's 30th Street Station received similar repairs recently.

Work also began in late April on all of the twenty-one stations between Chicago and New Orleans on Amtrak's Panama Limited route, with completion scheduled for early Fall. Most of the work, like that in progress at the Chicago-Minneapolis stations, will consist of painting and cleaning. However, at Homewood, Illinois, Amtrak will contract for extensive interior and exterior repairs and platform rehabilitation.

Repair and rehabilitation scheduled also includes the removal of several non-functional structures. Kankakee, Illinois has a duplicate ticket office which will be removed; at Winona, Ms., an old abandoned express building will be leveled and the ground landscaped, and Amtrak has requested the ICG to raze an old, unused restaurant building at Canton, Ms.

The present building at Dyersburg, Ms. will be replaced with a plexiglass shelter similar to the ones installed at Elmhurst and Freeport, Ill. Batesville, Mississippi's station will be leveled and replaced with a new structure, possibly a trailer.

Work at Champaign/Urbana, Ill. will commence when Amtrak receives funds from the State of Illinois. Illinois will finance two-thirds of the repair costs for this station as well as Springfield and Bloomington.

Procurement Methods Save \$s for Amtrak

Because Amtrak is a national system and because it is funded in part by government grants and loans, Amtrak's Procurement Department is able to take advantage of two cost saving procurement methods: centralized procurement and the use of federal government procurement sources and excess property.

services such as maintenance, utilities and most perishable commissary items must be procured on a local level. It is, however, less expensive to procure meat, fish, butter, and other nationally distributed, commonly used items on a national basis and Amtrak's Procurement Department is centralizing purchase of these items.

reduced costs, approximately 20/25% per item; the issuance of fewer contracts; and shorter lead times to meet requirements. GSA also maintains, at large cities where there are a number of federal agencies, self-service stores where authorized representatives of local agencies can purchase supplies used in day-to-day operations. Chargeplates are issued by GSA to these representatives, of which Amtrak is one, for use at their stores. Not only is the use of these stores convenient, but also it results in considerable savings in actual cost, time, and purchase order processing costs.

Amtrak obtained 115 rail cars from the Department of the Army last year in the corporation's first major acquisition under General Services Administration's excess property program. Some of the cars are already in service; others are scheduled for overhaul and modification.

Most of the 115 cars were built in 1954 by the St. Louis Car Company. They include 48 ambulance cars, 44 kitchen cars, 11 personnel cars, 9 baggage cars and 3 prototype cars.

The three prototype cars (one ambulance, kitchen and personnel car) are one-of-a-kind cars built for experimental purposes by the Army. Now extensive modifications will be required to ready them for commercial service.

Amtrak has converted thirty of the ambulance cars to baggage-dormitory cars and ten to entertainment cars; all are in revenue service. Three of the ambulance cars are being held for possible conversion to auto rider cars to be used as part of the AutoTrak Program and two of the cars will be converted to snack cars. The remaining three ambulance cars had been damaged by fire and are being held for spare parts.

The eleven personnel cars are the oldest cars acquired from the Army. They had been used for troop transport and are similar to Pullman sleepers. Amtrak is evaluating the possibility of overhauling them for use as standby equipment.

Of the forty-four available kitchen cars, fourteen are stored in Mira Loma, Cal. and twelve are stored at Beech Grove, Ind., all awaiting possible heavy overhaul and modification to ready them for commercial use. Three of the kitchen cars currently are used in Florida stations for auxiliary commissary storage. Fifteen kitchen cars have not been delivered to Amtrak to-date.

All nine of the baggage cars acquired have been refurbished and are in revenue service.

During calendar year 1973, Amtrak acquired approximately \$4 million worth of such property (see box). Items acquired include railroad ambulance cars in excellent condition; locomotives; kitchen cars; material handling equipment; machine shop equipment; refrigerated trailers to be used for auxiliary commissary food storage; office furniture and equipment. Some of the excess property acquired needed repairs to place it in good operating condition. GSA has contracts for the repair of federal property at many large excess property generating points, and Amtrak has used these repair sources whenever possible, resulting in further cost reductions.

Although centralized procurement methods and use of government procurement sources have already resulted in considerable savings to Amtrak, the Procurement Department constantly is seeking to further reduce procurement costs. "We are basically a service department and we have one major objective, savings on purchased items" Lyons said. "We are continually striving for more competition, new procurement sources and the right quality at a better price."

J.K. Lyons, Director of Procurement, explains that centralized procurement is financially advantageous for the procurement of numerous items. "Bigger numbers mean bigger savings," Lyons said, citing the case of batteries which constitute the highest dollar volume procurement of any replaceable item in the car refurbishment program (averaging \$3,000.00 per car set). In 1973 procurement of batteries by national blanket purchase orders, competitive bidding and negotiation enabled Amtrak to save \$293,000.00.

According to Lyons, many items lend themselves to centralized national procurement: for example, china, silverware, linen, uniforms, matches, office forms and furniture. These are items for which the need is universal and repetitive. On the other hand,

Amtrak also is utilizing the General Services Administration's excess property program. Under this program, property excess to the needs of any federal agency is reported to GSA for re-utilization by other federal agencies. The only costs generally involved in the acquisition of this property are packing, crating, handling and transportation. In addition, some of the items acquired may require repairs to place them in good operating condition.

Because Amtrak is partially funded by the federal government, it is eligible to use, in most cases, the same procurement sources as any federal agency. The vast procurement program developed by the General Services Administration (GSA) for all types of services, supplies and equipment is now used by Amtrak and results in

Effective May 19, Amtrak began requiring advance reservations for all coach seats on its long-distance trains.

The elimination of unreserved coach seats for long-distance travel was necessitated by standing-room-only on many trains during peak travel periods.

the first four months of 1974 have been renewed for another year's viability.

Holders of the current cards were reminded by the Pass Bureau that ticket sellers have been instructed not to issue tickets against any cards that have expired. However, tickets that have been obtained may be used within the 90-day ticket validity period even though the RTPC may have expired before the ticket is used.

The month and year of expiration are shown in the lower right hand corner of each RTPC pass, and the card expires on the last day of the month shown. The Pass Bureau urged all RTPC pass holders to check the expiration date of their cards to be sure they have not expired.

Cardholders whose passes have expired or are about to expire should obtain an NRPC Form 93 from their railroad office where they receive their original RTPC pass application. The Form 93 should be completed and sent back to the railroad office, which will forward it to the Amtrak Pass Bureau.

All applications for renewal of the RTPC passes should be initiated approximately two months prior to the expiration date of the current pass. This should provide sufficient time for a new card to be received prior to the expiration date of the old pass.



"Amtrak People Care" buttons will be worn by all on-board service employees effective June 1. Christie Koontz, General Supervisor of Special Services, said the buttons were designed to let the public know that Amtrak people are ready, willing and able to help passengers, particularly during times when problems may be encountered aboard trains.

Revenue Accounting Takeover

Amtrak has reached another milestone: The Corporation has assumed all revenue accounting functions from the individual railroads in the Amtrak system. Over three million pieces of paper each month flow into the Revenue Accounting office in Washington, D.C.

Robert Evanson, Director of Systems and Procedures, was responsible for the development and initial start up of the department and Lee Price, Manager of Revenue Accounting, is in charge of the daily operation. Among other things, the department is responsible for collecting all cash and credit card transactions from ticket agents and conductors, accounting for all food and beverage sales (and computing state taxes on such sales), determining Amtrak's revenues and earnings by train based on ticket lifts and issuing refunds to passengers.

"The railroads had several different accounting systems in effect, which resulted in different reports submitted to Amtrak at different times. We took over these functions from the railroads

starting last July and we have gained greater control over our own revenues," said Evanson.

A uniform accounting method is now in effect on a national level, resulting in faster, more accurate reporting. The railroads formerly required a total of 305 revenue personnel to accomplish the accounting; but because of the centralized character of the new Amtrak system, 280 clerks perform the same tasks with greater efficiency and are developing additional audit procedures which generate more comprehensive data.

"Our people receive approximately 12,000 pieces of mail every day," said Price, "falling into three major categories — ticket accounting coupons and cash deposit data from the stations, tickets lifted by conductors on the trains, and trip reports from on-board food and beverage employees. We receive one summary report from small stations at the end of each month; four reports per month from intermediate-sized stations, and daily reports from our largest stations."

All of this information is processed by clerks and the data are fed into computers. This procedure enables Amtrak to compile reports which detail revenue by train on a regular basis for use by Amtrak's management.

Revenue Accounting is a complex manual system that has undergone a difficult development stage. Instrumental in organizing the program were Bill Cook, Systems Project Manager and Systems Analysts Steve Erie, Wade Hall and George Meredith. The project team garnered railroad expertise by soliciting assistance from representatives of the Union Pacific, Burlington Northern, Penn Central railroads and by utilizing several consultants.

Now that this department has taken root, it will play an increasingly important role in the future. New computer programs will provide additional financial and ridership information in a speedier and more efficient manner.

Evanson said, with obvious satisfaction, "We've come a long way in one year and it is gratifying to see the progress that has taken place."

Red Cap Service Extended June 1

Expedited Red Cap service became available on the Broadway Limited, San Francisco Zephyr, Empire Builder and Southwest Limited, effective June 1.

Under the new service, a porter or car attendant asks the passengers in his car just prior to arrival at their destination if they want Red Cap service to the station's taxi stand. If service is requested, the Red Cap will put a red cap check on their luggage and hand passengers a claim check. Upon arrival at their destination station, passengers can proceed directly to the taxi stand to claim their baggage. There will be no charge for this expedited service.

Expedited Red Cap service began December 1, 1973 on an experimental basis at Florida stations from Jacksonville to Miami. Mr. Carroll Hines, Manager of Baggage, said the success of the program in that locale prompted its expansion.

Train Name Changes: The Real Story

On May 19, when Amtrak published its new schedules, the Chicago-Los Angeles train was renamed the "Southwest Limited" and the Chicago-Houston train was titled "The Lone Star." The name changes signal retirement of the names "Super Chief" and "Texas Chief"; names made famous when the two trains were operated as part of the Santa Fe System. No change in the service offered aboard the two trains is contemplated.

The change in names resulted when the Santa Fe, acting on sketchy information, told Amtrak that the famous "Chief" names could no longer be used for Amtrak trains. The railroad claimed the reason for this action was that "the quality of service provided by Amtrak no longer reflects credit on Santa Fe," and added that Amtrak planned to split the Super Chief into two sections, one of which would have seating capacity for more than 300 passengers but diner seating for only 36.

Harold L. Graham, Vice President — Marketing, told Amtrak News this is not true. He said, "When we first planned to split the Super Chief into two sections, we knew right at the beginning that we could not feed 300 people properly in a 36-seat diner. It is unfortunate that Santa Fe made a decision, based on preliminary information, that we contemplated downgrading the level of service."

Doug Willmott, Special Assistant to Mr. Graham and Marketing member of the key "Schedule and Consist Committee", explained the preliminary plans which Amtrak had under study: "The Chicago-Los Angeles market is a big one and we wanted to develop it by meeting the long-haul and intermediate traffic requirements with separate sections. This meant running two trains. The first section would have been designed for the Chicago-Los Angeles market, operating with seven sleepers and three high-level coaches, and with a limited stop pattern. The other train was essentially the former "El Capitan" making all present stops to serve local traffic with high-level coaches and two sleepers. We had a problem with a 36-seat capacity diner

on the first train. The second section had adequate dining capability with the single 72-seat bi-level diner."

Three alternatives were available to solve the dining car problem on the first train. First, Amtrak could use 48-seat ex-California Zephyr diners which are in good condition. One problem here is that the Santa Fe prefers to use only ex-Santa Fe owned equipment on its line. Secondly, Amtrak could convert ex-Santa Fe 36-seat diners into 48-seat diners. Or, third, Amtrak could use 36-seat diners along with ex-Santa Fe counter-diner cars.

"Amtrak never, and I emphasize the word 'never', planned to operate a train with capacity for 300 passengers with only a 36-seat diner," Willmott said. "Don Ensz, Director — Service, wouldn't allow it. The Vice President

Other Amtrak trains have changed names with the new May 19 schedule: The Washington-Chicago train via Cincinnati has been called The James Whitcomb Riley westbound and The George Washington eastbound. This train, in both directions, will be called The James Whitcomb Riley. The Washington-Montreal train, which was The Montrealer going north and The Washingtonian southbound, is now The Montrealer in both directions.

of Marketing didn't want it. And I didn't believe it would work. All we had done was to draw up preliminary plans which outlined our options. It was an embryo plan."

Graham said that "We regret the former names have to disappear. The level of service on these trains will not be lowered by Amtrak. The passenger reaction to Amtrak has been exceptionally good, including that period since the takeover of on-board and station personnel by Amtrak from Santa Fe. We are very pleased with the continual increase in traffic. In the first quarter of 1974, ridership increased 29 percent on the 'Super Chief' over the same period last year. On the 'Texas Chief' it went up 34 percent."

"The Santa Fe certainly doesn't have a complaint about the 'Texas Chief'," Willmott declared. "Frankly, it's a

better train today under Amtrak than it was under Santa Fe. For example, we now have observation-dome-lounge cars on this train, along with a full diner, full lounge and spruced-up equipment. And we have our newest locomotives on both these trains."

Plans to operate two Chicago-Los Angeles trains have been cancelled for this summer. Said Willmott: "The dispute over train names had nothing to do with the demise of the second train idea. The primary problem is that systemwide ridership has reached the point where Amtrak's car demands are at an all-time high. We just don't have enough equipment to operate a second Chicago-Los Angeles and second New York-Chicago train this summer as originally planned. When possible, equipment will be assigned to existing trains to carry increased loads. And more cars are required for the 'North Coast Hiawatha,' which is going daily, and for our new 'Inter-American,' 'San Joaquin' and 'Expo 74' services. We can only go so far in expanding our services for this summer and we've reached our limit."

Amtrak News is published for all Amtrak employees. It is mailed to all employees who are listed on the official roster which is maintained by the Personnel Department. A copy of that identical roster is used to make the labels used for each mailing. Because of the many new additions to this roster, because of address changes, because of key-punch errors and because of many other possible failures, your name or the name of someone you know, may not be on the roster. Send your address change or other information to Personnel. They will keep the roster up to date and then when we use it for mailing, you will get your copy of the Amtrak News. We do not maintain the roster.

In addition, any Railroad Employee who works in support of passenger service may receive Amtrak News. Those railroad employees may write to Amtrak News and we shall put them on a special mailing list. For your information, 8,483 names are on the current list.

Amtrak Ball Team Beats White House

There's a new ballclub making the softball circuit in Washington, D.C., the Amtrak team, made up primarily of personnel in Revenue Accounting. So far this season the White House team and teams representing the staffs of Senator Joseph M. Montoya (New Mex.), Congressman Phillip Crane (Ill.), and Senator Henry Jackson (Wash.) have lost to the team 20-15, 6-4, 9-8 and 15-8 respectively. The team, presently without an official name, may be called the "Amtrak Metroliners."

Additional games have been scheduled with the staffs of Senator Thomas Eagleton (Mo.) and Senator Lowell Weicker (Conn.).

John Grzejka, Coach, and Cathy Clark, Manager, are looking for other teams to play. Clark said one rule is that each team must have three women on the field at all times. "We want to play the supervisors of Revenue Accounting," said Clark, "but they don't have three girls on their team yet."

George Hunt, outfielder, said "We'd like to see Amtrak people in other cities organize teams. The Bensalem reservations center has more than enough people to put together a good one. If they did, we'd board a train for Philadelphia on a Saturday to play them. Or they could come to Washington. It would give people in Amtrak a way of meeting each other."



Coming Attractions

JUNE — a thirteen minute **Amtrak audio/visual presentation** has been produced for used by Amtrak Sales Managers. It is available now on a loan basis through the three Regional Sales Managers.

JUNE — **repair work** continues on Chicago Union Station; eleven Milwaukee Road stations between Chicago and Minneapolis, and twenty-one Illinois Central Gulf stations between Chicago and New Orleans. (See page 6).

JUNE 1 — Amtrak institutes **expedited Red Cap service** on the Broadway Limited, San Francisco Zephyr, Empire Builder and Southwest Limited. (See page 8).

JUNE 1 — **Service Directors** added to the following trains: Coast Starlight, James Whitcomb Riley, National Limited, Panama Limited and San Francisco Zephyr.

JUNE 1 — though September 15, 1974, Passenger Service Representatives will host **on-board entertainment** on the following trains: Coast Starlight, Floridian, Silver Star, Silver Meteor, San Francisco Zephyr, Empire Builder and Southwest Limited.

JUNE 1 — **Rail Travel Card** discontinued for individual use.

JUNE 7 — through September 2, 1974, reservations for employee **free or reduced-rate travel** will be permitted only within four hours of scheduled departure time on the following trains: Sunset Limited, San Francisco Zephyr, Empire Builder, North Coast Hiawatha, Lone Star, Inter-American, National Limited, James Whitcomb Riley, Floridian, Panama Limited, Montrealer, Night Owl, Silver Star, Champion, Washington-Harrisburg section of the Broadway Limited, and all parlor service on all Boston-Washington conventional trains.

JUNE 7 — through September 2, 1974, **no sleeping space** of any type may be **purchased on-board a train** by employees traveling on **free or reduced-rate passes**.

JUNE 9 — **peak season fares** go into effect on most Western long-haul routes.

JULY 1 — all **Amtrak-appointed travel agents** will hold ticket stock and receive a 10% commission.

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